

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



**FILED**  
6-01-16  
04:59 PM

Application of San Diego Gas & Electric Company  
(U 902 E) for Approval of Energy Storage and Energy  
Efficiency Contracts Arising from the Track IV Local  
Capacity Requirement All Source Request for Offers

Application 16-03-014  
(Filed March 30, 2016)

**SAN DIEGO GAS & ELECTRIC COMPANY'S (U 902-E) RULE 3.2 (e)  
PROOF OF COMPLIANCE AND REQUEST TO FILE PROOF ONE DAY LATE**

John A. Pacheco

Attorney for:  
San Diego Gas & Electric Company  
8330 Century Park, CP 32  
San Diego, California 92123  
Telephone: (858) 654-1761  
Facsimile: (619) 699-5027  
E-mail: [JPacheco@sempra.com](mailto:JPacheco@sempra.com)

June 1, 2016

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of San Diego Gas & Electric Company  
(U 902 E) for Approval of Energy Storage and Energy  
Efficiency Contracts Arising from the Track IV Local  
Capacity Requirement All Source Request for Offers

Application 16-03-014  
(Filed March 30, 2016)

**SAN DIEGO GAS & ELECTRIC COMPANY’S (U 902-E) RULE 3.2 (e)  
PROOF OF COMPLIANCE AND REQUEST TO FILE PROOF ONE DAY LATE**

Pursuant to Rule 3.2 (e) of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), San Diego Gas & Electric Company (“SDG&E”) hereby submits Attachments A, B and C as proof of compliance with Rule 3.2(b), (c) and (d) as it relates to Application (“A.”) 14-01-027. Note that Application A.16-03-014 was filed on March 30, 2016. SDG&E’s compliance was as follows:

- Pursuant to Rule 3.2 (b), within 20 days after filing, SDG&E served notice to various state, county, city and other entities stating in general terms the proposed increases in rates that are the subject of A.16-03-014. Attachment A constitutes proof of such notice.
- Pursuant to Rule 3.2(c), within 20 days after filing, SDG&E published in several newspapers of general circulation (the San Diego Union Tribune, San Diego Union Tribune-North County, and Orange County Register) notice, in general terms, of the proposed increase in rates that is the subject of A.16-03-014. Attachment B constitutes proof of such notice. Consistent with the newspaper notices, Attachment B also includes copies of verifications that A.16-03-014 was made available at each of SDG&E’s business offices.
- Pursuant to Rule 3.2(d), within 45 days after filing, SDG&E served its customers with a bill insert notice of A.16-03-014, describing, among other things, its potential rate impact. Attachment C constitutes proof of such notice.

Pursuant to Rule 3.2 (e), proof of compliance is to be filed within 20 days after compliance with the last of the foregoing subsections that is applicable (i.e., within 20 days of compliance with the Rule 3.2(d) bill insert notice, which was completed on May 11, 2014). Accordingly, this proof of compliance is being filed 1 day late. If necessary, SDG&E can file a separate motion seeking a ruling allowing for this late filing. Otherwise, SDG&E requests that this Proof of Compliance be accepted as filed.

Respectfully submitted,

By: /s/ John A. Pacheco  
John A. Pacheco  
Attorney for:  
SAN DIEGO GAS & ELECTRIC COMPANY  
101 Ash Street  
San Diego, CA 92101  
Telephone: (619) 699-5130  
Facsimile: (619) 699-5027  
E-mail: [jpacheco@sempira.com](mailto:jpacheco@sempira.com)

DATED this 1st day of June, 2016, at San Diego, California.

Respectfully submitted,

/s/ JOHN A. PACHECO  
John A. Pacheco

Attorney for  
San Diego Gas & Electric Company  
8330 Century Park Court, CP32  
San Diego, CA 92123  
Telephone: (858) 654-1761  
Facsimile: (619) 699-5027  
[jpacheco@sempirautilities.com](mailto:jpacheco@sempirautilities.com)

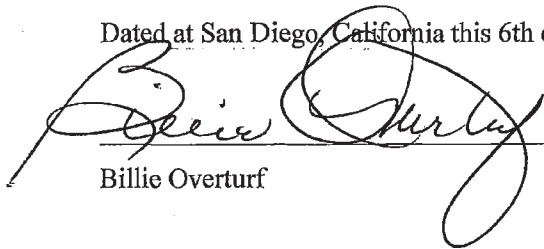
## Attachment A

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the **NOTICE OF AVAILABILITY OF THE APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E) FOR APPROVAL OF ENERGY STORAGE AND ENERGY EFFICIENCY CONTRACTS ARISING FROM THE TRACK IV LOCAL CAPACITY REQUIREMENT ALL SOURCE REQUEST FOR OFFERS** has been served on the cities, counties and government agencies as called out in Rule 3.2(b).

Dated at San Diego, California this 6th day of April 2016.



\_\_\_\_\_  
Billie Overturf

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of San Diego Gas & Electric Company (U 902-E) for Approval of Energy Storage and Energy Efficiency Contracts Arising from the Track IV Local Capacity Requirement All Source Request for Offers	)	Application No. 16-03-014 (Filed: March 30, 2016)
---	---	--

**NOTICE OF AVAILABILITY**

**APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 e) FOR APPROVAL OF ENERGY STORAGE AND ENERGY EFFICIENCY CONTRACTS ARISING FROM THE TRACK IV LOCAL CAPACITY REQUIREMENT ALL SOURCE REQUEST FOR OFFERS**

Pursuant to Rule 3.2(b) of the Commission's Rules of Practice and Procedure, San Diego Gas & Electric Company (U 902-E) ("SDG&E") hereby gives notice of the *Application of San Diego Gas & Electric for Approval of Energy Storage & Energy Efficiency Contracts Arising from the Track IV Local Capacity Requirement for All Source Request for Offers* with the Commission on March 30, 2016. This Application is asking for approval of energy storage ("ES") and energy efficiency ("EE") contracts resulting from its Track IV Local Capacity Requirement All Source Request for Offers. The retirement of the San Onofre Nuclear Generating Station ("SONGS") and the State Water Resources Control Board ("SWRCB") regulations requiring the mandatory retirement of once-through cooling ("OTC") resources in Southern California have created a need for new resources to meet SDG&E's local capacity requirement ("LCR"). Pursuant to the Commission's Track IV Decision (D.14-03-004), SDG&E is not required to fill its total authorized need until the end of 2021. The ES and EE contracts that are the subject of this Application fill a portion of this need and constitute a first step toward meeting the full requirement by the end of 2021. The total cost of the two contracts over their respective contract terms is approximately \$92 million (this does not include franchise fees and uncollectibles and excludes the cost of energy for the ES batteries).

Accordingly, SDG&E respectfully requests that the Commission approve the Track IV All Source RFO, SDG&E's conduct with respect to the Track IV All Source RFO, and the contracts selected through the Track IV All Source RFO process as prudent and reasonable. This application and related testimony can be found on the following link:

<http://www.sdge.com/regulatory-filing/17416/sdge%E2%80%99s-track-iv-all-source-rfo-application>.

All requests should be directed to:

Kellen Gill  
Regulatory Case Administrator  
San Diego Gas & Electric Company  
8330 Century Park Court, CP32-D  
San Diego, CA 92123  
619-696-2972  
Email: [kgill@semprautilities.com](mailto:kgill@semprautilities.com)

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

John A. Pacheco  
Attorney for  
San Diego Gas & Electric Company  
8330 Century Park Court – CP32  
San Diego, California 92123  
Telephone: 858.654.1761  
Facsimile: 619.699-5027  
Email: [JPacheco@semprautilities.com](mailto:JPacheco@semprautilities.com)

**April 6, 2016**

## Attachment B



# California Newspaper Service Bureau®

Public Notice Advertising Since 1934  
Tel 1-800-788-7840 • Fax 1-800-540-1089  
Local Offices and Representatives in:  
Los Angeles, Santa Ana, San Diego, Riverside/San Bernardino,  
San Francisco, Oakland, San Jose, Sacramento  
Special Services Available in Phoenix.

## DECLARATION

I am a resident of San Diego County, over the age of eighteen years and not a party to any or interested in the matter noticed.

The notice, of which the annexed is a printed copy appeared in the:

### THE SAN DIEGO UNION TRIBUNE

A newspaper of general circulation adjudicated for the City Oceanside and the City of Escondido, County of San Diego under the County Superior Court, Decree No. 171349, for the County of San Diego

On the following dates:

APRIL 12, 2016

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California, this

25th day of April 2016

YOLANDA CORDOVA

CNS#2868063

"The only Public Notice which is justifiable from the standpoint of true economy and the public interest, is that which reaches those who are affected by it"

Rev. 1/2014 Daily Journal Corporation, 915 East First Street, Los Angeles, CA 90012

## NOTICE OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO INCREASE ELECTRIC RATES IN 2016 FOR NEW ELECTRIC RESOURCE CONTRACTS

(LOCAL CAPACITY REQUIREMENTS)  
APPLICATION NO. A.16-03-014

On March 30, 2016, San Diego Gas & Electric Company (SDG&E) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates for two long-term contracts for new electric resources. SDG&E is seeking new long term contracts to meet local capacity needs in its electric service territories, stemming from the retired San Onofre Nuclear Generating Stations (SNGS). The proposed contracts would provide new electric resources including electric storage (batteries) and energy efficiency (making more electricity available by using less electricity to provide the same service). Electric customers in SDG&E's service territory would also receive grid (electric network infrastructure) reliability benefits for the duration of the contracts.

The typical SDG&E utility bill includes charges for the cost of electricity and the cost to deliver (transmission and distribution) electricity. This application requests cost recovery from all customers in SDG&E's service territory, even the customers who purchase electricity from another provider but pay SDG&E to distribute the electricity to their homes. The total cost of the two contracts over their respective contract terms is approximately \$52 million. The provided rate recovery amount excludes the cost of energy for electric storage batteries. Please note that the total cost is based on forecasts and is likely to change prior to including the actual cost in electric rates.

The chart shown below illustrates the increase in rates that would result from CPUC approval of this application, compared to current rate levels.

### ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDG&E's application, a typical non-CARE (CARE is a low-income assistance program) residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill increase of 0.2%, or \$0.17, from a current monthly bill of \$110.00 to \$110.25. The illustrative rate and bill impacts assume both contracts are in effect and provide a comparison to current (1/1/2016) rates.

The dollar amounts and percentages shown below are estimates and do not necessarily reflect the exact changes you may see in your bill. Changes in individual bills will depend on how much energy each customer uses.

### SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC TOTAL RATE INCREASE

Customer Class	Current Class Average Rates 1/1/16 (\$/kWh)	Class Average Rates Reflecting Proposed Increase Per Application (\$/kWh)	Total Rate Increase (\$/kWh)	Percentage Rate Increase (%)
Residential	22.442	22.462	0.040	0.18
Small Commercial	22.322	22.378	0.056	0.25
Medium and Large C&I <sup>1</sup>	18.626	18.652	0.026	0.19
Agricultural	18.421	18.463	0.042	0.28
Lighting	18.882	18.714	0.032	0.17
System Total	20.368	20.405	0.039	0.19

<sup>1</sup> Rates effective 1/1/16 per Advice Letter (AL) 2840-E.

<sup>2</sup> C&I stands for Commercial and Industrial.

For further information on these proposals you may contact SDG&E's 24-hour Customer Service line at 1-800-411-SDGE (7343).

### FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: Kellen Gill, San Diego Gas & Electric Company, 6330 Century Park East, Suite 200, San Diego, CA 92123. SDG&E will provide a copy of this application upon request. SDG&E's application and attachments may be reviewed at the CPUC's Central Files Office by appointment. For more information, please contact them at [centralfiles@cpuc.ca.gov](mailto:centralfiles@cpuc.ca.gov) or (415) 703-2045. A copy of this information may be reviewed at the following SDG&E business offices:

436 H St. Chula Vista, CA 91910	104 N. Johnson Ave. El Cajon, CA 92020	844 W. Mission Ave. Escondido, CA 92025
2405 E. Plaza Blvd. National City, CA 91960	336 Euclid Ave. San Diego, CA 92114	2604-B S. El Camino Real Carlsbad, CA 92008
440 Beech St. San Diego, CA 92101		

The application and related exhibits are also available electronically on SDG&E's website at [www.sdg.com/regulatory/cpruc.shtml](http://www.sdg.com/regulatory/cpruc.shtml).

Copies of this bill insert will be available for viewing and printing on the SDG&E website at [www.sdg.com/billinsert/regulatory.shtml](http://www.sdg.com/billinsert/regulatory.shtml).

### CPUC PROCESS

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt SDG&E's proposal, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision and any alternate decisions will be discussed and voted upon at a scheduled CPUC Voting Meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) will review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call (415) 703-1584, email [ora@cpuc.ca.gov](mailto:ora@cpuc.ca.gov) or visit ORA's website at [www.ora.ca.gov](http://www.ora.ca.gov).

### STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscriptions.cpuc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, have informal comments, or have questions about the CPUC's processes, you may access the CPUC's Public Advisor's webpage at <http://consumers.cpuc.ca.gov/pao/>. You may also contact the Public Advisor as follows:

Email: [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)

Mail: CPUC  
Public Advisor's Office  
505 Van Ness Avenue  
San Francisco, CA 94102

Call: 1-866-649-8380 (toll-free) or 1-415-703-2074  
TTY 1-866-636-7825 (toll-free) or 1-415-703-5282

Please reference SDG&E's Electric Resource Contracts - Local Capacity Requirement Application No. A.16-03-014 in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.

CNS-2868063



\* A 0 0 0 0 0 4 0 8 3 2 9 6 \*

# California Newspaper Service Bureau®

Public Notice Advertising Since 1934  
Tel 1-800-788-7840 • Fax 1-800-540-1089  
Local Offices and Representatives in:  
Los Angeles, Santa Ana, San Diego, Riverside/San Bernardino,  
San Francisco, Oakland, San Jose, Sacramento  
Special Services Available in Phoenix.

## DECLARATION

I am a resident of San Diego County, over the age of eighteen years and not a party to any or interested in the matter noticed.

The notice, of which the annexed is a printed copy appeared in the:

### THE SAN DIEGO UNION TRIBUNE- NORTH COUNTY

A newspaper of general circulation adjudicated for the City Oceanside and the City of Escondido, County of San Diego under the County Superior Court, Decree No. 171349, for the County of San Diego

On the following dates:

APRIL 12, 2016

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California, this

25th day of April 2016

YOLANDA CORDOVA

CNS#2868064

"The only Public Notice which is justifiable from the standpoint of true economy and the public interest, is that which reaches those who are affected by it"

Rev. 1/2014 Daily Journal Corporation, 915 East First Street, Los Angeles, CA 90012

## NOTICE OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST TO INCREASE ELECTRIC RATES IN 2016 FOR NEW ELECTRIC RESOURCE CONTRACTS (LOCAL CAPACITY REQUIREMENTS) APPLICATION NO. A-16-03-014

On March 30, 2016, San Diego Gas & Electric Company (SDG&E) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates for two long-term contracts for new electric resources. SDG&E is seeking new long-term contracts to meet local capacity needs in its electric service territory planning from the retired San Onofre Nuclear Generating Stations (SONGS). The proposed contracts would provide new electric resources including electric storage (batteries) and energy efficiency (making more electricity available by using less electricity to provide the same service). Electric customers in SDG&E's service territory would also receive grid (electric network infrastructure) reliability benefits for the duration of the contracts.

The typical SDG&E utility bill includes charges for the cost of electricity and the cost to deliver (transmission and distribution) electricity. This application requests cost recovery from all customers in SDG&E's service territory, even the customers who purchase electricity from another provider but pay SDG&E to distribute the electricity to their homes. The total cost of the two contracts over their respective contract terms is approximately \$92 million. The provided rate recovery amount excludes the cost of energy for electric storage batteries. Please note that the total cost is based on forecasts and is likely to change prior to including the actual cost in electric rates.

The chart shown below illustrates the increase in rates that would result from CPUC approval of this application, compared to current rate levels.

### ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS

If the CPUC approves SDG&E's application, a typical non-CARE (CARE is a low-income assistance program) residential customer living in the inland climate zone and using 600 kilowatt-hours per month could see a monthly summer bill increase of 0.2%, or \$0.17, from a current monthly bill of \$110.08 to \$110.25. The illustrative rate and bill impacts assume both contracts are in effect and provide a comparison to current (1/1/2016) rates.

The dollar amounts and percentages shown below are estimates and do not necessarily reflect the exact changes you may see in your bill. Changes in individual bills will depend on how much energy each customer uses.

SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC TOTAL RATE INCREASE				
Customer Class	Current Class Average Rates 01/01/16* (\$/kWh)	Class Average Rates Proposed (Increase Per Application (\$/kWh))	Total Rate Increase (\$/kWh)	Percentage Rate Increase (%)
Residential	22.442	22.482	0.040	0.18
Small Commercial	22.322	22.378	0.056	0.25
Medium and Large C&I	18.826	18.892	0.066	0.35
Agricultural	18.421	18.453	0.032	0.17
Lighting	18.652	18.714	0.062	0.33
System Total	20.358	20.405	0.047	0.23

\* Rates effective 1/1/16 per Advice Letter (AL) 2940-E.

\* C&I stands for Commercial and Industrial.

For further information on these proposals you may contact SDG&E's 24-hour Customer Service line at 1-800-411-SDGE (7343).

### FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: Kellen Gill, San Diego Gas & Electric Company, 8330 Century Park Court, San Diego, CA 92123. SDG&E will provide a copy of this application upon request. SDG&E's application and attachments may be reviewed at the CPUC's Central Files Office by appointment. For more information, please contact them at [publicnotice@cpuc.ca.gov](mailto:publicnotice@cpuc.ca.gov) or (415) 703-2045. A copy of this application may be reviewed at the following SDG&E business offices:

438 H St. Chula Vista, CA 91910	104 N. Johnson Ave. El Cajon, CA 92020	844 W. Mission Ave. Escondido, CA 92026
2405 E. Plaza Blvd. National City, CA 91960	336 Euclid Ave. San Diego, CA 92114	2804-B St. Carlsbad, CA 92008
440 Beach St. San Diego, CA 92101		

The application and related exhibits are also available electronically on SDG&E's website at [www.sdge.com/regulatory/cprc.html](http://www.sdge.com/regulatory/cprc.html).

Copies of this bill insert will be available for viewing and printing on the SDG&E website at [www.sdge.com/billinserts/regulatory.html](http://www.sdge.com/billinserts/regulatory.html).

### CPUC PROCESS

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt SDG&E's proposal, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) will review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call (415) 703-1584, email [ora@cpuc.ca.gov](mailto:ora@cpuc.ca.gov) or visit ORA's website at [www.ora.ca.gov](http://www.ora.ca.gov).

### STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscribe.cpuc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, have informal comments, or have questions about the CPUC's processes, you may access the CPUC's Public Advisor's webpage at <http://consumers.cpuc.ca.gov/about/>. You may also contact the Public Advisor as follows:

Email: [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)

Mail: CPUC  
Public Advisor's Office  
505 Van Ness Avenue  
San Francisco, CA 94102

Call: 1-800-949-9380 (toll-free) or 1-415-703-2074  
TTY 1-866-935-7825 (toll-free) or 1-415-703-5282

Please reference SDG&E's Electric Resource Contracts - Local Capacity Requirement Application No. A-16-03-014 in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.

CNS-2868064



\* A 0 0 0 0 0 4 0 8 3 2 9 7 \*

**California Newspaper Service Bureau®**

Daily Journal Corporation  
Public Notice Advertising Since 1934  
Tel 1-800-788-7840 • Fax 1-800-474-9444  
Local Offices and Representatives in:  
Los Angeles, Santa Ana, San Diego, Riverside/San Bernardino,  
San Francisco, Oakland, San José, Sacramento  
Special Services Available in Phoenix

**DECLARATION**

I am a resident of Los Angeles County, over the age of eighteen years and not a party to any or interested in the matter noticed.

The notice, of which the annexed is a printed copy appeared in the:

**REGISTER**

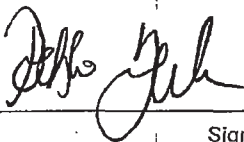
On the following dates:

**April 12, 2016**

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Los Angeles, California, this

12<sup>th</sup> day of April 2016



Signature

**2868062**

*"The only Public Notice which is justifiable  
from the standpoint of true economy and the public interest,  
is that which reaches those who are affected by it"*



Para mas detalles llame al 1-800-311-7343

**NOTICE OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST  
TO INCREASE ELECTRIC RATES IN 2016 FOR NEW ELECTRIC RESOURCE CONTRACTS  
(LOCAL CAPACITY REQUIREMENTS)  
APPLICATION NO. A.16-03-014**

On March 30, 2016, San Diego Gas & Electric Company (SDG&E®) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates for two long-term contracts for new electric resources. SDG&E is seeking new long term contracts to meet local capacity needs in its electric service territories stemming from the retired San Onofre Nuclear Generating Stations (SONGS). The proposed contracts would provide new electric resources including electric storage (batteries) and energy efficiency (making more electricity available by using less electricity to provide the same service). Electric customers in SDG&E's service territory would also receive grid (electric network infrastructure) reliability benefits for the duration of the contracts.

The typical SDG&E utility bill includes charges for the cost of electricity and the cost to deliver (transmission and distribution) electricity. This application requests cost recovery from all customers in SDG&E's service territory, even the customers who purchase electricity from another provider but pay SDG&E to distribute the electricity to their homes. The total cost of the two contracts over their respective contract terms is approximately \$92 million. The provided rate recovery amount excludes the cost of energy for electric storage batteries. Please note that the total cost is based on forecasts and is likely to change prior to including the actual cost in electric rates.

The chart shown below illustrates the increase in rates that would result from CPUC approval of this application, compared to current rate levels.

**ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS**

If the CPUC approves SDG&E's application, a typical non-CARE (CARE is a low-income assistance program) residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill increase of 0.2%, or \$0.17, from a current monthly bill of \$110.08 to \$110.25. The illustrative rate and bill impacts assume both contracts are in effect and provide a comparison to current (1/1/2016) rates.

The dollar amounts and percentages shown below are estimates and do not necessarily reflect the exact changes you may see in your bill. Changes in individual bills will depend on how much energy each customer uses.

**SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC TOTAL RATE INCREASE**

Customer Class	Current Class Average Rates 01/01/16 <sup>1</sup> (\$/kWh)	Class Average Rates Reflecting Proposed Increase Per Application (\$/kWh)	Total Rate Increase (\$/kWh)	Percentage Rate Increase (%)
Residential	22.442	22.482	0.040	0.18
Small Commercial	22.322	22.378	0.056	0.25
Medium and Large C&I <sup>2</sup>	18.626	18.662	0.036	0.19
Agricultural	16.421	16.463	0.042	0.26
Lighting	18.682	18.714	0.032	0.17
System Total	20.366	20.405	0.039	0.19

<sup>1</sup> Rates effective 1/1/16 per Advice Letter (AL) 2840-E.

<sup>2</sup> C&I stands for Commercial and Industrial.

For further information on these proposals you may contact SDG&E's 24-hour Customer Service line at 1-800-411-SDGE (7343).

**FOR FURTHER INFORMATION**

You may request additional information or obtain a copy of the application and related exhibits by writing to: Kellen Gill, San Diego Gas & Electric Company, 8330 Century Park Court, San Diego, CA 92123. SDG&E will provide a copy of this application upon request. SDG&E's application and attachments may be reviewed at the CPUC's Central Files Office by appointment. For more information, please contact them at [ajcentralfiles@cpuc.ca.gov](mailto:ajcentralfiles@cpuc.ca.gov) or (415) 703-2045. A copy of this application may be reviewed at the following SDG&E business offices:

436 H St. Chula Vista, CA 91910	104 N. Johnson Ave. El Cajon, CA 92020	644 W. Mission Ave. Escondido, CA 92025
2405 E. Plaza Blvd. National City, CA 91950	336 Euclid Ave. San Diego, CA 92114	2604-B S. El Camino Real Carlsbad, CA 92008
440 Beech St. San Diego, CA 92101		

The application and related exhibits are also available electronically on SDG&E's website at [www.sdge.com/regulatory/cpuc.shtml](http://www.sdge.com/regulatory/cpuc.shtml).

Copies of this bill insert will be available for viewing and printing on the SDG&E website at [www.sdge.com/billinserts/regulatory.shtml](http://www.sdge.com/billinserts/regulatory.shtml).

**CPUC PROCESS**

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt SDG&E's proposal, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) will review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call (415) 703-1584, email [ora@cpuc.ca.gov](mailto:ora@cpuc.ca.gov) or visit ORA's website at [www.ora.ca.gov](http://www.ora.ca.gov).

**STAY INFORMED**

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscribe.cpuc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, have informal comments, or have questions about the CPUC's processes, you may access the CPUC's Public Advisor's webpage at <http://consumers.cpuc.ca.gov/pao/>. You may also contact the Public Advisor as follows:

Email: [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)

Mail: CPUC  
Public Advisor's Office  
505 Van Ness Avenue  
San Francisco, CA 94102

Call: 1-866-849-8390 (toll-free) or 1-415-703-2074  
TTY 1-866-836-7825 (toll-free) or 1-415-703-5282

Please reference SDG&E's Electric Resource Contracts - Local Capacity Requirement Application No. A.16-03-014 in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.

CNS-2868062#

## Attachment C



## DECLARATION

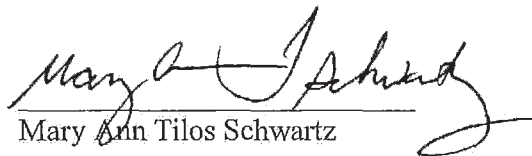
I, Mary Ann Tilos Schwartz, am a citizen of the United States residing in San Diego County, California, and am over the age of 18.

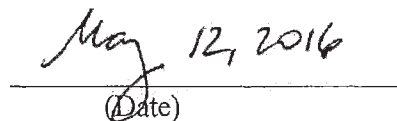
I am now, and at all times referred to below, have been employed by the San Diego Gas & Electric Company as Senior Creative Services & Branding Advisor in San Diego, California.

With regard to San Diego Gas & Electric Company's Application 16-03-014 before the California Public Utilities Commission, I was instructed to, and did supervise, the insertion and mailing of the Notices, attached hereto, to all known customers of the San Diego Gas & Electric Company other than "My Account Paperless" customers and other "Consolidated Accounts."

The insertion and mailing of the Notice to Customers of Proposed Changes commenced on Tuesday, April 12, 2016 with April Billing Cycle No. 7 and was completed on Thursday, May 11, 2016, with May Billing Cycle No. 6.

I declare under penalty of perjury that the foregoing is true and correct.

  
Mary Ann Tilos Schwartz

  
(Date)

Para mas detalles llame al 1-800-311-7343

**NOTICE OF SAN DIEGO GAS & ELECTRIC COMPANY'S REQUEST  
TO INCREASE ELECTRIC RATES IN 2016 FOR NEW ELECTRIC RESOURCE  
CONTRACTS (LOCAL CAPACITY REQUIREMENTS)  
APPLICATION NO. 16-03-xxx**

On March 30, 2016, San Diego Gas & Electric Company (SDG&E®) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates for two long-term contracts for new electric resources. SDG&E is seeking new long term contracts to meet local capacity needs in its electric service territories stemming from the retired San Onofre Nuclear Generating Stations (SONGS). The proposed contracts would provide new electric resources including electric storage (batteries) and energy efficiency (making more electricity available by using less electricity to provide the same service). Electric customers in SDG&E's service territory would also receive grid (electric network infrastructure) reliability benefits for the duration of the contracts.

The typical SDG&E utility bill includes charges for the cost of electricity and the cost to deliver (transmission and distribution) electricity. This application requests cost recovery from all customers in SDG&E's service territory, even the customers who purchase electricity from another provider but pay SDG&E to distribute the electricity to their homes. The total cost of the two contracts over their respective contract terms is approximately \$92 million. The provided rate recovery amount excludes the cost of energy for electric storage batteries. **Please note that the total cost is based on forecasts and is likely to change prior to including the actual cost in electric rates.**

The chart shown below illustrates the increase in rates that would result from CPUC approval of this application, compared to current rate levels.

**ILLUSTRATIVE IMPACT ON ELECTRIC RATES AND BILLS**

If the CPUC approves SDG&E's application, a typical non-CARE (CARE is a low-income assistance program) residential customer living in the inland climate zone and using 500 kilowatt-hours per month could see a monthly summer bill increase of 0.2%, or \$0.17, from a current monthly bill of \$110.08 to \$110.25. The illustrative rate and bill impacts assume both contracts are in effect and provide a comparison to current (1/1/2016) rates. **The dollar amounts and percentages shown below are estimates and do not necessarily reflect the exact changes you may see in your bill.** Changes in individual bills will depend on how much energy each customer uses.

**SAN DIEGO GAS & ELECTRIC COMPANY'S ILLUSTRATIVE ELECTRIC  
TOTAL RATE INCREASE**

<b>Customer Class</b>	<b>Current Class Average Rates 01/01/16<sup>1</sup> (¢/kWh)</b>	<b>Class Average Rates Reflecting Proposed Increase Per application (¢/kWh)</b>	<b>Total Rate Increase (¢/kWh)</b>	<b>Percentage Rate Increase (%)</b>
<b>Residential</b>	22.442	22.482	0.040	0.18
<b>Small Commercial</b>	22.322	22.378	0.056	0.25
<b>Medium and Large C&amp;I<sup>2</sup></b>	18.626	18.662	0.036	0.19
<b>Agricultural</b>	16.421	16.463	0.042	0.26
<b>Lighting</b>	18.682	18.714	0.032	0.17
<b>System Total</b>	20.366	20.405	0.039	0.19

<sup>1</sup> Rates effective 1/1/16 per Advice Letter (AL) 2840-E.

<sup>2</sup> C&I stands for Commercial and Industrial.

**For further information on these proposals you may contact SDG&E's 24-hour Customer Service line at 1-800-411-SDGE (7343).**

**FOR FURTHER INFORMATION**

You may request additional information or obtain a copy of the application and related exhibits by writing to: Kellen Gill, San Diego Gas & Electric Company, 8330 Century Park Court San Diego, CA 92123. SDG&E will provide a copy of this application upon request. SDG&E's application and attachments may be reviewed at the CPUC's Central Files Office by appointment. For more information, please contact them at [aljcentralfilesid@cpuc.ca.gov](mailto:aljcentralfilesid@cpuc.ca.gov) or (415) 703-2045. A copy of this application may be reviewed at the following SDG&E business offices:

436 H St.  
Chula Vista, CA 91910

104 N. Johnson Ave.  
El Cajon, CA 92020

644 W. Mission Ave.  
Escondido, CA 92025

2405 E. Plaza Blvd.  
National City, CA 91950

336 Euclid Ave.  
San Diego, CA 92114

2604 S. El Camino Real  
Carlsbad, CA 92008

440 Beech St.  
San Diego, CA 92101

The application and related exhibits are also available electronically on SDG&E's website at [www.sdge.com/regulatory/cpuc.shtml](http://www.sdge.com/regulatory/cpuc.shtml).

Copies of this bill insert will be available for viewing and printing on the SDG&E website at [www.sdge.com/billinserts/regulatory.shtml](http://www.sdge.com/billinserts/regulatory.shtml).



## **CPUC PROCESS**

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties of record will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are parties of record can participate.

After considering all proposals and evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision which may adopt SDG&E's proposal, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

As a party of record, the Office of Ratepayer Advocates (ORA) will review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call (415) 703-1584, e-mail [ora@cpuc.ca.gov](mailto:ora@cpuc.ca.gov) or visit ORA's website at [www.ora.ca.gov](http://www.ora.ca.gov).

## **STAY INFORMED**

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscribecpuc.cpuc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, have informal comments, or have questions about the CPUC's processes, you may access the CPUC's Public Advisor's webpage at <http://consumers.cpuc.ca.gov/pao/>. You may also contact the Public Advisor as follows:

Email: [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)

Mail: CPUC

Public Advisor's Office  
505 Van Ness Avenue  
San Francisco, CA 94102

Call: 1-866-849-8390 (toll-free) or 1-415-703-2074  
TTY 1-866-836-7825 (toll-free) or 1-415-703-5282

Please reference SDG&E's Electric Resource Contracts-Local Capacity Requirement Application No. 16-03-XXX in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.